



Department of Justice

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LOUISVILLE BUSINESSMAN SENTENCED TO 87 MONTHS IN PRISON

FOR BRIBING CONGRESSMAN

ALEXANDRIA, Va. — A businessman who paid bribes to a member of the U.S. House of Representatives was sentenced to 87 months in prison by Judge T.S. Ellis, III in U.S. District Court in Alexandria, Virginia today, Assistant Attorney General Alice S. Fisher of the Criminal Division and U.S. Attorney Chuck Rosenberg of the Eastern District of Virginia announced.

Vernon L. Jackson, 53, of Louisville, Ky., pleaded guilty on May 3, 2006 to a two-count criminal information charging him with conspiracy to commit bribery and the payment of bribes to a public official. Jackson was also ordered to serve two years of supervised release once he has completed his sentence. As part of his plea, Jackson has agreed to cooperate with law enforcement officials in an ongoing probe of public corruption related to business deals in Africa and elsewhere.

According to the information, from 1998 through the present, Jackson has been the Chairman and CEO of iGate Incorporated, a Kentucky firm focused on developing technology designed to transmit data, audio, and video communications over copper wire. The information charged that in approximately 2000, Jackson was introduced to a member of the U.S. House of Representatives (Representative A), who was active in promoting U.S. trade and business in Africa. Representative A then provided official assistance to Jackson in persuading the U.S. Army to test iGate's broadband two-way technology and other products of iGate. Representative A's official assistance led to the placement of iGate on the U.S. General Services Administration (GSA) schedule, making iGate products eligible for use in various federal contracts.

The information also charged that in early 2001, Representative A told Jackson that Representative A would not continue to provide official assistance to Jackson's company iGate, unless Jackson agreed to pay a nominee company ostensibly maintained in the names of Representative A's spouse and children. Jackson agreed and signed a consulting services agreement committing iGate to pay the nominee company various things of value in return for Representative A's performance of official acts in furtherance of iGate's business in Africa and elsewhere. This includes, but is not limited

to monthly payments of \$7,500; a percentage of iGate's gross sales; a percentage of capital investments raised for iGate; options for iGate stock; and payment to a member of Representative A's family to perform legal work for various iGate business ventures.

Jackson pleaded guilty to causing more than \$400,000 to be paid to Representative A's nominee company and that the consulting services agreement was designed to conceal the illegal nature of the payments demanded by Representative A. In return for the agreement to pay things of value, Representative A agreed to perform numerous official acts in furtherance of iGate's business, including, but not limited to efforts to influence high-ranking officials in Nigeria, Ghana, Cameroon and elsewhere through official correspondence and in-person meetings; travel to those countries to facilitate these meetings; and meetings with personnel of the Export-Import Bank of the United States, the official export credit agency of the United States, in order to facilitate potential financing for iGate business deals in those countries.

"Public corruption degrades severely our institutions of government and undermines public confidence in the many thousands of honorable men and women who serve with distinction at all levels. We will do all we can to put an end to this corruption, wherever and whenever we find it," said Rosenberg.

The case is being prosecuted by Mark D. Lytle and Rebeca Bellows, Assistant United States Attorneys, Eastern District of Virginia and Trial Attorney Michael K. Atkinson of the Fraud Section of the Criminal Division at the U.S. Department of Justice, Washington. The case is being investigated by the Federal Bureau of Investigation.

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